



COUNTY OF LOS ANGELES

Public Health

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April 27, 2015

TO: Each Supervisor
FROM: Cynthia A. Harding, M.P.H.
Interim Director

SUBJECT: **NOTIFICATION OF INTENT TO REQUEST DELEGATED AUTHORITY TO APPROVE INCREASES OR DECREASES OF GREATER THAN 10 PERCENT OF THE TOTAL CONTRACT AMOUNT**

This is to notify you that the Department of Public Health (DPH) intends to request delegated authority to execute one new forthcoming HIV/STD Social Marketing Prevention (SMP) Services Master Agreement Work Order (MAWO) with a vendor to be determined and request delegated authority to increase or decrease funding up to 35 percent above or below the contract's annual base maximum obligation.

This notice is being sent in accordance with Board Policy 5.120, which states that prior Board notice is required for any department requesting delegated authority to increase Board-approved contracts by over 10 percent.

Background

On April 9, 2013, your Board authorized the execution of 17 Master Agreements for the provision of media services in one or more of the following categories: design and creating, mechanicals, social media, and outreach. Additionally, your Board delegated authority to the Director of DPH, or his designee, to execute additional Master Agreements with other firms that submit a Statement of Qualifications that meets all of the requirements outlined in the initial Request for Statement of Qualifications released on October 12, 2012. In addition, your Board delegated authority to the Director of DPH, or his designee, to execute MAWOs under the Master Agreements with the following criteria for each MAWO: a) \$399,999 or less annually, DPH will notify your Board of the MAWO once approved by County Counsel; b) \$400,000 to \$699,999 annually, upon approval from County Counsel, DPH will provide two weeks advance written notice to your Board and, unless otherwise instructed, will execute the MAWO; and c) \$700,000 or more annually, DPH will return to your Board for approval.

On April 14, 2014, your Board was notified that DPH was exercising the above-referenced delegated authority to execute eight additional Master Agreements for the provision of media services in one or more of the four categories.

On October 24, 2014, DPH issued a Media Services – Master Agreement Work Order Solicitation (WOS) for the HIV and STD Social Marketing Prevention Services – MEDIA-WOS-4. The WOS was released to 13 DPH Master Agreement Contractors who are qualified to provide for all media service categories.

DPH received two proposals by the December 23, 2014 due date, and anticipates recommending approval to enter into the agreement and delegated authority with the successful proposer in a Board letter projected for the Board meeting on May 12, 2015.

Justification for Delegated Authority to Increase or Decrease Funding Amounts

Under the proposed MAWO, the proposed vendor will be promoting and marketing HIV and STD prevention messaging (EraseDoubt.org, DontThinkKnow.org, LACondom.com) as well as developing new media buying plans for continued placement of targeted public education media campaigns promoting HIV and STD prevention. This will include the availability of free condoms to Los Angeles County (LAC) residents who are at increased risk for HIV and STD infection. Specifically, the selected media firm will: 1) coordinate all aspects of a social marketing campaign; 2) develop creative for campaigns; 3) develop a comprehensive media strategy; 4) write and produce audio and video public service announcements (PSAs); 5) run a minimum of 350 PSAs; 6) manage print and production of campaign-related promotional collateral; 7) develop and execute a minimum of 6 Media/PR opportunities; 8) develop strategy to reach DHSP target audience via social media outlets; 9) house and maintain existing external websites; 10) provide detailed HIV/STD resource information; 11) prospect and secure corporate partnerships to expand market reach and help increase HIV/STD testing, treatment, and care efforts; 12) generate awareness of HIV/STD testing, treatment and care among target audience; 13) support mobile marketing; and 14) manage and revise a strategy to promote the location of free condoms, which includes purchase and condom distribution.

DPH is requesting a 35 percent delegated authority for the media MAWO. DHSP is developing a robust plan to implement Pre-exposure Prophylaxis (PrEP) programs for individuals at high risk for HIV infection. An important component of that PrEP program will be the development of a website and educational and training materials targeting both individuals who could benefit from the use of PrEP, as well as the medical provider community who can prescribe PrEP for individuals at heightened risk of infection. PrEP is a medical regimen that, when taken regularly as prescribed, can prevent HIV transmission. Preliminary estimates from New York City, where such a PrEP plan and social marketing campaign were developed and implemented, indicate an annual cost of \$175,000 for development and placement of media messaging. Implementation in Los Angeles County would require delegated authority in excess of the standard 10 percent, and would exceed even an additional 25 percent for effective development and placement of media messaging.

DHSP plans to apply for new funding, recently released by the Centers for Disease Control and Prevention (CDC), tied to PrEP activities. Increasing our delegated authority now will allow us to more rapidly develop expanded media messaging if our grant applications are successful. Given that this would be a community-based program with new marketing campaigns and website development, there is a strong possibility there may be a need to expand and/or enhance services based on community discussions, grant requirements/ and or County need. Therefore, it may be necessary to increase funds to the agency to support additional staff or operating expenses that are currently unforeseen.

This increased delegated authority will enable DPH to amend this agreement to allow for the provision of additional units of services that are above the service level identified in the proposed agreement and/or the inclusion of unreimbursed eligible costs, based on the availability of grant funds and grant funder approval. Due to the proposed new PrEP activities it is likely that increased funding beyond the 10 percent will be needed to address the grant requirements and deliverables associated with PrEP activities.

The activities funded under this MAWO are supported by the CDC HIV Prevention Project grant and DHSP's net County cost.

While DPH is under no obligation to pay a contractor beyond what is identified in the original executed agreement, DPH may determine that the contractor has provided evidence of eligible costs for qualifying contracted services, and that it is in the County's best interest to increase the maximum contract obligation as a result of receipt of additional grant funds or a determination that funds should be reallocated.

DPH will continue to seek County Counsel review and approval on all delegated authority actions, with notification to your Board and the Chief Executive Office.

If you have any questions or would like additional information, please let me know.

CAH:mmc

c: Interim Chief Executive Officer
 County Counsel
 Acting Executive Officer, Board of Supervisor